STATEMENT OF JAMES D. RODRIGUEZ, ASSISTANT SECRETARY VETERANS' EMPLOYMENT AND TRAINING SERVICE U.S. DEPARTMENT OF LABOR BEFORE THE SUBCOMMITTEE ON ECONOMIC OPPORTUNITY COMMITTEE ON VETERANS' AFFAIRS U.S. HOUSE OF REPRESENTATIVES

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Introduction

Chairman Van Orden, Ranking Member Levin, and distinguished Members of the Subcommittee, thank you for the invitation to testify today. It has been an honor to lead the U.S. Department of Labor's (DOL) Veterans' Employment and Training Service (VETS) for the last three years. I am honored to testify before you today on the effectiveness of the Jobs for Veterans State Grants (JVSG) program and other services that assist veterans in finding and retaining employment. I share the subcommittee's goal of improving our programs, providing veterans high-quality service, and ensuring that taxpayer funds are used in an efficient way.

DOL, the mission of VETS is to prepare America's veterans, service members, and military spouses for meaningful careers, provide them with employment resources and expertise, protect their employment rights, and promote their employment opportunities. VETS administers programs designed to address the employment, training, and job security needs of over 196,000 military service members who transition to civilian life each year¹, 8.6 million military veterans in the U.S. civilian labor force², over 775,000 Selected National Guard and Reserve members³, and nearly 920,000 military spouses⁴ (578,952 active duty and 344,716 Guard and Reserve spouses).

Jobs for Veterans State Grants (JVSG) Overview

The VETS-administered JVSG program provides funding for dedicated staff who work in the American Job Centers to provide individualized career and training-related services to veterans and eligible persons with significant barriers to employment, and other eligible populations.⁵, and to assist employers to fill their workforce needs with job-seeking veterans.

¹ See Department of Defense Congressional Report, *Improvements to the Transition Assistance Program*, August 2022.

² See Bureau of Labor Statistics, Labor Force Statistics from the Current Population Survey, Household Data Annual Averages 2023, <u>Table 48</u> - <u>Employment status of persons 18 years and over by veteran status, age, and sex</u>, available at: https://www.bls.gov/cps/cpsaat48.htm.

³ Department of Defense, Defense Manpower Data Center, Military Personnel Report, Selected Reserve Personnel by Reserve Component and Rank/Grade (Updated Monthly), July 2023, available at: https://dwp.dmdc.osd.mil/dwp/app/dod-data-reports/workforce-reports

⁴ Military OneSource – Demographics Profile of the Military Community, 2022, available at: https://demographics.militaryonesource.mil/.

⁵ Beginning with the Consolidated Appropriations Act of 2014, annual appropriations for JVSG have made three additional groups eligible for DVOP services: Transition members of the Armed Forces who have been identified as in need of intensive service; members of the Armed Forces who are wounded ill, or injured and receiving treatment in military treatment facilities or warrior transition units; and the spouses or other family caregivers of such a wounded, ill, or injured member.

JVSG supports Disabled Veterans' Outreach Program (DVOP) specialists.⁶, Local Veterans' Employment Representatives (LVER)⁷, and Consolidated DVOP/LVER staff⁸, in 50 states, the District of Columbia, Guam, Puerto Rico, and the U.S. Virgin Islands. DVOP specialists provide individualized career services and facilitate employment placements to meet the employment needs of eligible populations. Individualized career services may include comprehensive and specialized job readiness assessments, interview preparation, development of individual employment plans, career guidance, employment assistance, and other related services. LVER staff conduct outreach and advocacy efforts with local businesses to increase employment opportunities for veterans. LVER staff also facilitate and support veterans in gaining and retaining employment and maintain cooperative working relationships with community organizations that provide complementary services and reciprocal referrals. Consolidated positions are those that perform both DVOP and LVER functions, as authorized by the Veterans' Benefits Act of 2010. States provide funding allocation plans to improve services and outcomes. These plans include strategies for reaching populations of eligible veterans through the state, educational institutions, trade associations, and labor unions.

JVSG is a critical and integrated component of the public workforce system. DOL's Employment and Training Administration (ETA) administers the public workforce system, which includes nearly 2,250 American Job Centers across the country. These one-stop locations offer a broad range of career and wrap-around supportive services to the public, such as job training programs, employment services, adult basic education and literacy, vocational rehabilitation for individuals with disabilities, childcare, transportation assistance, housing assistance, legal aid services, unemployment compensation (including the Unemployment Compensation for ex-service members (UCX) program), referrals and linkages to Registered Apprenticeships, and other services. In most states, American Job Centers also host eligibility determination services for or provide referrals to the Supplemental Nutrition Assistance Program (SNAP), Temporary Assistance for Needy Families (TANF), and other partner programs. Veterans receive priority of service for all workforce training programs funded in whole or in part by DOL, as established by the Jobs for Veterans Act of 2002 (38 U.S.C. § 4215).

JVSG Performance

In Program Year 2022 (ending June 30, 2023), the JVSG appropriation funded 1,405 staff members that served the employment needs of 133,817 veterans across all 50 States, DC, Guam, Puerto Rico, and the U.S. Virgin Islands. JVSG funded 374 LVER staff, 915 Disabled Veterans' Outreach Program (DVOP) specialists and 116 Consolidated Positions. DVOP specialists served the employment needs of nearly 44,674 veterans with significant barriers to employment (44,674 veterans served was a subset of the 133,817 total veterans served).

JVSG uses three primary performance indicators, as defined by the Workforce Innovation and Opportunity Act (WIOA):

1. Employment Rate 2nd Quarter After Exit: The percentage of participants served who are employed in the second quarter after exit from the program. The rate last program

⁶ Authorized under 38 U.S.C. § 4103A.

⁷ Authorized under 38 U.S.C. § 4104.

⁸ Authorized under 38 U.S.C. § 4102A(h).

- year was 58.4%, which is an improvement over the prior year's performance of 53.5%.
- 2. Employment Rate 4th Quarter After Exit: The percentage of participants served who are employed in the fourth quarter after program exit. The rate last program year was 56.6%, which is an improvement over the prior year's performance of 51.9%.
- 3. Median Earnings 2nd Quarter After Exit: The median (mid-point) value of all quarterly wages earned by participants in the second quarter after exit was \$8,784, which is an improvement over the prior year's performance of \$7,998.

As context for these performance outcomes, it is important to note that DVOP specialists provide individualized career services to veterans and eligible persons with significant barriers to employment, such as disabled veterans, low-income veterans, homeless veterans, and justice-involved veterans. The average age of the JVSG participant is 47 years old, and over a third of our participants are aged 55 and older. These outcomes have improved since last year, and we are committed to improving them further.

JVSG fills a specific niche in the overall workforce delivery system. Other programs provide job training and supportive services. Those services are authorized under separate laws and have separate program requirements, which are overseen by ETA or other agencies at the Federal level, and are generally administered by state and local agencies (who typically have significant flexibility in program management). JVSG's role is to provide the important face-to-face interactions with veterans, service providers, and employers in the community. DVOP specialists provide case management to veterans, and LVERs connect with businesses on behalf of all veterans.

Veterans and eligible persons who receive JVSG services are given the resources they need to further their careers. For example, Jen Gollnick⁹, an Army National Guard veteran found herself in a challenging position after being laid off last year. She sought help from the Wisconsin Department of Workforce Development and VETS JVSG resources at her local American Job Center. The center provided valuable information and empathy, helping Gollnick find the best path for herself and her family. The DVOP recommended Gollnick use her Veteran Readiness and Employment benefits to obtain training. Since Gollnick was interested in starting her own accounting business, the DVOP also connected her to the Wisconsin Veteran's Chamber of Commerce to enroll in the Command Post Accelerator Program – an innovative program offering veterans education, coaching, and co-working membership at no cost. After visiting the American Job Center, everything started to fall into place for Gollnick. She was using the job center resources, enrolled in the Veteran Readiness and Employment program, and simultaneously began finding clients for her business through the Command Post Accelerator Program. Today, Gollnick provides finance process improvement services to businesses, and she encourages veterans to use similar resources that helped her reach her goals.

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⁹ For more information see: American Job Centers: The Path to Veteran Employment Starts Here | U.S. Department of Labor Blog (dol.gov)

Customer Experience (CX)

VETS' vision is to enable all veterans, service members, and military spouses to reach their full potential in the workplace. With this vision in mind, VETS seeks to design and deliver Customer Experience (CX) services consistent with the guidance provided in Executive Order 14058 on *Transforming Federal Customer Experience and Service Delivery to Rebuild Trust in Government*¹⁰.

So, in Fiscal Year (FY) 2023, VETS embarked on a Human-Centered Design (HCD) project to better understand the veteran customer experience with American Job Centers throughout the country, and specifically, services provided through JVSG. VETS procured a contract with a veteran-owned consulting firm to gather the perspectives of those involved in the veteran employment journey. VETS will create a holistic picture of program successes and challenges, with the goal of creating solutions to better support all involved. The findings will help VETS equip its staff and partners with tools, technology, and methods to serve veterans effectively and empathetically.

National Veterans' Training Institute (NVTI)

NVTI¹¹ provides high-quality and relevant training to veteran service provider staff, ensuring that veterans receive the best possible assistance in their transition to civilian careers. The NVTI fosters a community of practice among veteran service providers, enabling them to share best practices, resources, and innovations. NVTI trains nearly 4,000 participants annually, including JVSG-funded state staff and other federal agency staff.

NVTI provides a wide range of educational tools to strengthen and deepen student comprehension within what we call the NVTI Learning Ecosystem. The NVTI Learning Ecosystem offers content in a variety of formats and delivery methods with themes that are related to one another and complement one another. Delivery methods of the Ecosystem include: NVTI's catalogue of courses, webinars, podcasts, microlearning, the Making Careers Happen for Veterans: Community of Practice, NVTI resources, and featured articles.

The Veterans' Benefits Act of 2010 established that all newly hired DVOP specialists, LVER staff, and Consolidated positions are required to satisfactorily complete expert training within 18 months after the date of employment. This helps ensure the quality and consistency of service delivery across the country. Additionally, so that new hires can gain a basic understanding of the JVSG mission, vision, policies, and responsibilities required by federal law and guidance, NVTI designed the JVSG Primer. The Primer is intended to make new hires aware of both the expectations of DOL VETS and the population they were hired to serve – jobseeking veterans.

VETS has a JVSG-specific certification program. This certification program, called the JVSG Career Roadmap, helps DVOP specialists, LVER staff, and Consolidated position staff

¹⁰ https://www.whitehouse.gov/briefing-room/presidential-actions/2021/12/13/executive-order-on-transforming-federal-customer-experience-and-service-delivery-to-rebuild-trust-in-government/

¹¹ https://www.nvti.org/

who serve in American Job Centers throughout the country visualize and prepare for long-term career development and extended learning. While it does not restrict the courses the participants choose to take, it does provide a clear and long-term path to improved veteran service provision, and overall professional and career growth.

Employer Engagement and Recognition

In addition to the 374 JVSG funded LVER staff (as of Program Year 2022) that conduct outreach to businesses at a state and local level, VETS also conducts employer engagement and recognition activities at a national level.

The Honoring Investments in Recruiting and Employing American Military Veterans Act (HIRE Vets Act) established a program administered by VETS that recognizes employer efforts to recruit, employ, and retain veterans. The number of employers honored through the HIRE Vets Medallion Program. (HVMP) has grown since implementation in 2019. Acting Secretary Julie Su awarded the 2023 HIRE Vets Medallion Awards to a record 859 employers who met high standards for investing in recruiting and employing American military veterans.

The mission of the Veteran Employment Outreach Program (VEOP) is to make it easier for employers to find and hire service members, veterans, and military spouses. Regional Veterans' Employment Coordinators (RVECs) work to help employers find service members, veterans, and military spouses. They engage with local, regional, and national employers and connect them with Federal, state, and local resources to facilitate veterans' employment. In FY 2023, the VEOP team coordinated 2,056 outreach efforts. These engagements connected employers, labor unions, industry associations to federal, state, and other resources to facilitate veteran employment. In every engagement, the VEOP Team also promoted connections with DOL's Office of Apprenticeship, the Department of Defense SkillBridge, and the HVMP.

VETS is also collaborating closely with other Federal agencies to promote veterans employment. For example, VETS is supporting the National Defense Industrial Strategy through our engagement with the Department of Defense's (DoD) Industrial Base Analysis and Sustainment program office, supporting workforce development efforts for the critical occupations within the defense industry. These efforts have been underway for over two years and have increased pathways for separating service members, members of the guard and reserve, veterans, and military spouses into the Submarine and Shipbuilding industrial base.

In addition, the Department of Veterans Affairs' (VA) Veteran Readiness and Employment (VR&E) Service and VETS recognize the critical importance of facilitating the successful transition of eligible veterans and service members into the civilian workforce through the VR&E program. Working collaboratively, both agencies have committed to enhancing and broadening employment prospects for VR&E participants through close partnership and concerted efforts outlined in a joint Memorandum of Understanding. Key priorities within this agreement include fostering employer engagement, apprenticeships, on-the-job training, internships, and non-paid work experiences. Additionally, VA and DOL are focused on improving VR&E participants' customer experience, which helps service members better

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 $^{^{12}\ \}underline{www.hirevets.gov/awardees}$

leverage Labor Market and Career Information provided at an American Job Center to facilitate training, credentialing, licensing, and employment opportunities. Through these aligned efforts, VETS and VR&E optimize their support services for veterans and service members to help them transition into meaningful civilian careers.

Homeless Veterans' Reintegration Program (HVRP)

Employment is a key factor in reducing veteran homelessness. The Homeless Veterans' Reintegration Program (HVRP) is the only federal grant to focus exclusively on competitive employment for veterans experiencing or at-risk of homelessness. HVRP programs are locally designed and tailored to the service area, helping America's veterans experiencing homelessness reintegrate into the workforce. In FY 2023, HVRP awarded more than \$58 million to 159 grantees and served over 17,300 veterans experiencing homelessness. This accomplishment includes an increase of over 460 veterans served compared to the previous year. Over half (55%) of participants were employed upon completion, with an average hourly wage of \$18.34 at placement.

VETS actively seeks new HVRP grant applicants through a comprehensive approach. Prior to publishing the Funding Opportunity Announcement (FOA), we engage in preannouncement outreach. ¹³ This involves analyzing current grantee coverage, income levels and demographic data. Our goal is to identify underserved areas. We strategize and plan outreach and education campaigns for stakeholders, ensuring they are well-informed. Additionally, we post the HVRP Forecast Notice on Grants.gov to create awareness about the upcoming FOA. In targeted outreach efforts, we conduct personalized outreach in specific areas that have been identified as underserved or underrepresented. This ensures that potential applicants receive relevant information. Following an extensive email, social media, and outreach campaign, VETS hosts a "Bidders' Conference." This event provides interested parties with an opportunity to learn more and ask questions. When the grant application period opens, we issue a press release to announce it. During this period, we also offer a technical assistance session to help new organizations complete their applications effectively. Our commitment to transparency, accessibility, and support ensures that all eligible applicants have the necessary information and resources to participate in the grant application process.

Among the program services that HVRP grantees provide, wrap-around services play a pivotal role in improving employment and housing outcomes for individuals. When these services comprehensively address an individual's need through a variety of programs, the impact is significant. HVRP grant recipients understand this crucial connection. They collaborate with public and private partners across all levels to provide essential supportive services. These services encompass everything from housing to vital health services. Our strategic approach involves establishing partnerships with American Job Centers nationwide. By doing so veterans gain access to a wide array of resources, including services under the JVSG program, if eligible, when they are ready to take the next step in their journey. This collaborative effort ensures that veterans receive the comprehensive support they deserve.

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¹³ https://nvtac.org/grantees/welcome-new-grantees/topical-webinars/

Transition Assistance Program (TAP)

TAP provides training, resources, and assistance to separating and retiring service members on active duty, Guard, Reserve, and their spouses, as defined in 10 U.S.C. § 1144. TAP is a cooperative effort between VETS, DoD, VA, the Department of Education (ED), the Department of Homeland Security (DHS), the Small Business Administration (SBA), and the Office of Personnel Management (OPM). An innovative component of TAP is the Employment Navigator and Partnership Program (ENPP). ENPP began at 13 military installations worldwide on April 1, 2021. ENPP leverages the Secretary's authority to assist transitioning service members and their spouses with identifying and connecting to employment and training opportunities. ENPP provides one-on-one, tailored services for transitioning service members (TSMs) and their spouses. Through our full-time contract Employment Navigator staff and our partners, ENPP clients receive assistance with their resumes and career direction, as well as referrals to vetted partner organizations and American Job Centers, which provide additional personalized support. In FY 2023, 5,747 TSMs and 383 military spouses received services through ENPP.

Employment Navigators also serve as the initial points of contact for TSMs receiving a "warm handover" – a person-to-person connection between TSMs and an American Job Center. No later than 90 days prior to separating, TSMs will go through Capstone, a process by which the military service branch evaluates whether service members have met the Career Readiness Standards (CRS). To meet the employment track CRS for employment, a service member must have either a completed resume or confirmation of employment. If a service member fails to meet the CRS for employment, they are provided a warm handover, which connects them to designated services and follow-up resources as needed. During a warm handover, at ENPP sites, Employment Navigators connect TSMs to a designated American Job Center point-of-contact who verifies with DOL that they have received the contact information and reached out to the client to offer assistance. In addition to being connected with the local American Job Center where they reside, many service members receiving a warm handover also receive services from our Employment Navigators and partners.

According to participant surveys, ENPP has been a great success. As of April 1, 2024, 96% of ENPP survey respondents reported positive feelings after meeting with their Employment Navigators and would recommend ENPP to a friend or colleague. Additionally, 97% felt ENPP partners met or exceeded their employment-related expectations. Based on preliminary findings from early analyses in the TAP Evaluation and Employee Navigation (TEEN) Study, we see that TSMs who received ENPP services have notably better outcomes than those service members who did not receive those services. For example, preliminary findings indicate an increase of 10% (to \$11,005) in median quarterly wages earned for enlisted TSMs who participated in ENPP compared to their counterparts (\$9,993) who did not participate. VETS will continue analyzing the data and will be able to provide more nuanced information as data sets increase and analysis matures.

Uniformed Services Employment and Reemployment Rights Act (USERRA)

Our mission does not end at job placement. It is equally important to protect the employment rights of workers. USERRA prohibits discrimination in employment based on an individual's prior or current service in, or intent to join, the uniformed services. An employer is also prohibited from retaliating against a person because of their attempt to enforce their own USERRA rights, or the USERRA rights of others. Additionally, an employer may not retaliate against a person for filing a USERRA claim, testifying, or otherwise aiding in any USERRA proceeding. USERRA also provides reemployment rights with the pre-service employer on return after completing qualifying service in the uniformed services. Generally, a person with USERRA protections is entitled to be re-employed with the seniority, status, and rate of pay as if they had remained continuously employed during the period of service. USERRA applies to private employers, the Federal Government, and State and local governments, as well as to United States employers operating overseas and foreign employers operating within the United States.

VETS is fully committed to enforcement of USERRA employment protections for all eligible workers. Over the past five fiscal years (FY 2019 to FY 2023), VETS has achieved significant improvements to its investigation and enforcement program for the benefit of persons seeking assistance from VETS, despite the rising number of claims filed. VETS has investigated and closed an average of 974 unique cases each year during this five-year period. During this same time, VETS has had an average case age of 57.6 days, well below the 90-day statutory requirement for case completion. Additionally, VETS has continued to innovate and find ways to improve outcomes for persons seeking USERRA assistance. From FY 2019 to FY 2023, VETS' process improvements have increased the rate at which VETS resolved substantiated claims from 86% to 92%, even while the volume of substantiated claims increased from 21% in FY 2019 to 24% in FY 2023. During this same time, VETS sought to reduce the volume of cases that were withdrawn or closed administratively from 45% in FY 2019 to 31% in FY 2023. VETS achieved these positive outcomes despite an increase in the volume of closed cases from 940 in FY 2019 to 1,022 in FY 2023.

Conclusion

In the tapestry of our nation's commitment to veterans, VETS and JVSG are threads of resilience, woven together to create a safety net. Their impact reverberates far beyond statistics and policy documents. It echoes in the lives of veterans who find purpose, dignity, and renewed hope through gainful employment. It resonates in the businesses that thrive by harnessing the unique skills veterans bring to the table. As the lead Federal agency on veteran employment, DOL VETS looks forward to working with this Subcommittee and our many partners and stakeholders to create opportunities to ensure that all veterans, service members, and their spouses, can have a good job and opportunity for advancement.

Chairman Van Orden, Ranking Member Levin, and distinguished members of the Subcommittee, this concludes my statement. Thank you for the opportunity to be a part of this hearing, and I welcome your questions.